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District of Montana
Missoula Division

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**EMILIO FRANCISCO; PDC CAPITAL
GROUP, LLC; CAFFE PRIMO
INTERNATIONAL, INC.; SAL
ASSISTED LIVING, LP; , SAL
CARMICHAEL, LP; SAL CITRUS
HEIGHTS, LP; SAL KERN CANYON,
LP; SAL PHOENIX, LP; SAL
WESTGATE, LP; SUMMERPLACE
AT SARASOTA, LP; SUMMERPLACE
AT CLEARWATER, LP;
SUMMERPLACE AT CORRELL
PALMS, LP; TRC TUCSON, LP;
CLEAR CURRENTS WEST, LP;
CAFFE PRIMO MANAGEMENT, LP;
CAFFE PRIMO MANAGEMENT 102,
LP; CAFFE PRIMO MANAGEMENT**

Case No.: SACV 16-02257-CJC(DFMx)

**PRELIMINARY INJUNCTION
AGAINST ALL DEFENDANTS**

1 **103, LP; CAFFE PRIMO**
2 **MANAGEMENT 104, LP; CAFFE**
3 **PRIMO MANAGEMENT 105, LP;**
4 **CAFFE PRIMO MANAGEMENT 106,**
5 **LP; CAFFE PRIMO MANAGEMENT**
6 **107, LP; and CAFFE PRIMO**
7 **MANAGEMENT 108, LP,**

8
9
10 **Defendants.**

11 This matter is now before the Court on its Order to Show Cause Regarding
12 Issuance of a Preliminary Injunction and Appointment of a Permanent Receiver (Dkt. No.
13 17) issued January 5, 2017, in response to the Application by Plaintiff Securities and
14 Exchange Commission (“SEC”) for a Temporary Restraining Order and related orders,
15 including an order to Show Cause Re Preliminary Injunction and Appointment of a
16 Permanent Receiver (the “TRO Application”).

17 The Court, having considered the SEC’s Complaint, the TRO Application, the
18 supporting Memorandum of Points and Authorities, the supporting declarations and
19 exhibits, filings in opposition, and the other evidence and argument presented to the
20 Court, finds that:

- 21
- 22 A. This Court has jurisdiction over the parties to, and the subject matter of, this
23 action.
- 24
- 25 B. The SEC has made a sufficient and proper showing in support of the relief
26 granted herein, as required by Section 20(b) of the Securities Act of 1933
27 (“Securities Act”) (15 U.S.C. § 77t(b)) and Section 21(d) of the Securities
28 Exchange Act of 1934 (“Exchange Act”) (15 U.S.C. § 78u(b)) by evidence

1 establishing a *prima facie* case and reasonable likelihood that:

- 2
- 3 1. Emilio Francisco; PDC Capital Group, LLC; SAL Assisted Living, LP;
- 4 SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP;
- 5 SAL Phoenix, LP; SAL Westgate, LP; Summerplace at Sarasota, LP;
- 6 Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP;
- 7 TRC Tucson, LP; Clear Currents West, LP; Caffè Primo Management,
- 8 LP; Caffè Primo Management 102, LP; Caffè Primo Management 103,
- 9 LP; Caffè Primo Management 104, LP; Caffè Primo Management 105,
- 10 LP; Caffè Primo Management 106, LP; Caffè Primo Management 107,
- 11 LP; Caffè Primo Management 108, LP have engaged in, are engaging in,
- 12 are about to engage in, and will continue to engage in unless restrained
- 13 transactions, acts, practices and courses of business that constitute
- 14 violations of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a); and
- 15 Section 10(b) of the Securities Exchange Act, 15 U.S.C. § 78j(b), and
- 16 Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5;
- 17
- 18 2. Caffè Primo International, Inc. has engaged in, is engaging in, is about to
- 19 engage in, and will continue to engage in unless restrained transactions,
- 20 acts, practices and courses of business that constitute violations of
- 21 Section 17(a) of the Securities Act (15 U.S.C. § 77q(a)); and Section
- 22 10(b) of the Securities Exchange Act of 1934 (15 U.S.C. § 78j(b)) and
- 23 Rules 10b-5(a) and (c) thereunder (17 C.F.R. § 240.10b-5(a) and (c));
- 24
- 25 3. Emilio Francisco and PDC Capital, LLC, knowingly or recklessly, have
- 26 provided, are providing, are about to provide, and will continue to
- 27 provide substantial assistance to violations of Section 10(b) of the
- 28

1 Securities Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5(b)
2 thereunder, 17 C.F.R. § 240.10b-5(b); and
3

4 4. Emilio Francisco is a control person of Defendants PDC Capital Group,
5 LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL
6 Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL
7 Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP;
8 Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP;
9 TRC Tucson, LP; Clear Currents West, LP; Caffè Primo Management,
10 LP; Caffè Primo Management 102, LP; Caffè Primo Management 103,
11 LP; Caffè Primo Management 104, LP; Caffè Primo Management 105,
12 LP; Caffè Primo Management 106, LP; Caffè Primo Management 107,
13 LP; Caffè Primo Management 108, LP.\

14
15 C. Good cause exists to warrant the appointment of a permanent receiver over
16 Defendants PDC Capital Group, LLC; Caffè Primo International, Inc.; SAL
17 Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL
18 Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace as
19 Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll
20 Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo
21 Management, LP; Caffè Primo Management 102, LP; Caffè Primo
22 Management 103, LP; Caffè Primo Management 104, LP; Caffè Primo
23 Management 105, LP; Caffè Primo Management 106, LP; Caffè Primo
24 Management 107, LP; Caffè Primo Management 108, LP and their
25 subsidiaries and affiliates including but not limited to Summerplace
26 Management, LLC, PDC Partners Management, Inc.; and FDC Partners
27 Management, Inc.
28

1 D. Good cause exists to believe that, unless restrained and enjoined by order of
2 this Court, Defendants Emilio Francisco; PDC Capital Group, LLC; Caffè
3 Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP;
4 SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL
5 Westgate, LP; Summerplace at Sarasota, LP; Summerplace at Clearwater,
6 LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents
7 West, LP; Caffè Primo Management, LP; Caffè Primo Management 102,
8 LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP;
9 Caffè Primo Management 105, LP; Caffè Primo Management 106, LP;
10 Caffè Primo Management 107, LP; Caffè Primo Management 108, LP will
11 dissipate, conceal, or transfer assets which could be the subject to an order
12 directing disgorgement or the payment of civil money penalties in this
13 action. It is appropriate for the Court to issue this Preliminary Injunction
14 and asset freeze to preserve and protect existing assets, and prevent the
15 dissipation of assets.

16
17 E. Good cause exists to believe that, unless restrained and enjoined by order of
18 this Court, Defendants may alter or destroy documents relevant to this
19 action.

20
21 **I.**

22 IT IS HEREBY ORDERED that a Preliminary Injunction should issue, an asset
23 freeze should be imposed, and a permanent receiver be appointed over the entity
24 defendants.

25
26 **II.**

27 IT IS FURTHER ORDERED that Defendants Emilio Francisco; PDC Capital
28 Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael,

1 LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate,
2 LP; Summerplace at Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at
3 Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo
4 Management, LP; Caffè Primo Management 102, LP; Caffè Primo Management 103, LP;
5 Caffè Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo
6 Management 106, LP; Caffè Primo Management 107, LP; Caffè Primo Management 108,
7 LP, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates,
8 and those persons in active concert or participation with any of them, who receive actual
9 notice of this Order, by personal service or otherwise, and each of them, be and hereby
10 are preliminarily enjoined from, directly or indirectly, in the offer or sale of any
11 securities, by the use of any means or instruments of transportation or communication in
12 interstate commerce or by the use of the mails:

13
14 A. employing any device, scheme or artifice to defraud;

15
16 B. obtaining money or property by means of any untrue statement of a material
17 fact or any omission to state a material fact necessary in order to make the
18 statements made, in light of the circumstances under which they were made,
19 not misleading; or

20
21 C. engaging in any transaction, practice, or course of business which operates
22 or would operate as a fraud or deceit upon the purchaser;

23
24 in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

25
26
27 **III.**

28 IT IS FURTHER ORDERED that Defendants Emilio Francisco; PDC Capital
Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael,

1 LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate,
2 LP; Summerplace at Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at
3 Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffe Primo
4 Management, LP; Caffe Primo Management 102, LP; Caffe Primo Management 103, LP;
5 Caffe Primo Management 104, LP; Caffe Primo Management 105, LP; Caffe Primo
6 Management 106, LP; Caffe Primo Management 107, LP; Caffe Primo Management 108,
7 LP, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates,
8 and those persons in active concert or participation with any of them, who receive actual
9 notice of this Order, by personal service or otherwise, and each of them, be and hereby
10 are preliminarily enjoined from, directly or indirectly, in connection with the purchase or
11 sale of any security, by the use of any means or instrumentality of interstate commerce,
12 or of the mails, or of any facility of any national securities exchange:

13
14 A. employing any device, scheme or artifice to defraud;

15
16 B. making any untrue statement of a material fact or omitting to state a material
17 fact necessary in order to make the statements made, in the light of the
18 circumstances under which they were made, not misleading; or

19
20 C. engaging in any act, practice, or course of business which operates or would
21 operate as a fraud or deceit upon any person;

22
23 in violation of Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5
24 thereunder, 17 C.F.R. § 240.10b-5.

25
26
27 **IV.**

28 IT IS FURTHER ORDERED that Defendants Emilio Francisco and PDC Capital
Group, and their officers, agents, servants, employees, attorneys, subsidiaries and

1 affiliates, and those persons in active concert or participation with any of them, who
2 receive actual notice of this Order, by personal service or otherwise, and each of them, be
3 and hereby are preliminarily enjoined from aiding and abetting any violations of Section
4 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. §
5 240.10b-5, by knowingly or recklessly providing substantial assistance to any person
6 who, directly or indirectly, in connection with the purchase or sale of any security, by the
7 use of any means or instrumentality of interstate commerce, or of the mails, or of any
8 facility of any national securities exchange:

9
10 A. employing any device, scheme or artifice to defraud;

11
12 B. making any untrue statement of a material fact or omitting to state a material
13 fact necessary in order to make the statements made, in the light of the
14 circumstances under which they were made, not misleading; or

15
16 C. engaging in any act, practice, or course of business which operates or would
17 operate as a fraud or deceit upon any person.

18
19 V.

20 IT IS FURTHER ORDERED that Defendants Emilio Francisco; PDC Capital
21 Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael,
22 LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate,
23 LP; Summerplace at Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at
24 Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo
25 Management, LP; Caffè Primo Management 102, LP; Caffè Primo Management 103, LP;
26 Caffè Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo
27 Management 106, LP; Caffè Primo Management 107, LP; Caffè Primo Management 108,
28 LP, and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates,

1 and those persons in active concert or participation with any of them, who receive actual
2 notice of this Order, by personal service or otherwise, and each of them, be and hereby
3 are preliminarily enjoined from, directly or indirectly, participating in the offer or sale of
4 any security which constitutes an investment in a "commercial enterprise" under the
5 United States Government EB-5 visa program administered by the United States
6 Citizenship and Immigration Service ("USCIS"), including engaging in activities with a
7 broker, dealer, or issuer, or a Regional Center designated by the USCIS, for purposes of
8 issuing, offering, trading, or inducing or attempting to induce the purchase or sale of any
9 such EB-5 investment.

10
11 **VI.**

12 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court,
13 Defendants Emilio Francisco; PDC Capital Group, LLC; Caffè Primo International, Inc.;
14 SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern
15 Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace at Sarasota, LP;
16 Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP;
17 Clear Currents West, LP; Caffè Primo Management, LP; Caffè Primo Management 102,
18 LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP; Caffè Primo
19 Management 105, LP; Caffè Primo Management 106, LP; Caffè Primo Management 107,
20 LP; Caffè Primo Management 108, LP, and their officers, agents, servants, employees,
21 attorneys, subsidiaries and affiliate, and those persons in active concert with them, who
22 receive actual notice of this Order, by personal service or otherwise, and each of them, be
23 and hereby are preliminarily enjoined from, directly or indirectly, transferring, assigning,
24 selling, hypothecating, changing, wasting, dissipating, converting, concealing,
25 encumbering, or otherwise disposing of, in any manner, any funds, assets, securities,
26 claims or other real or personal property, including any notes or deeds of trust or other
27 interest in real property, wherever located, of any one of the Defendants, or their
28 subsidiaries or affiliates, owned by, controlled by, managed by or in the possession or

1 custody of any of them and from transferring, encumbering dissipating, incurring charges
 2 or cash advances on any debit or credit card of the credit arrangement of any one of the
 3 Defendants, or their subsidiaries and affiliates.

4
 5 **VII.**

6 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, the
 7 freeze previously ordered in the TRO shall continue and shall be placed on all monies
 8 and assets (with an allowance for necessary and reasonable living expenses to be granted
 9 only upon good cause shown by application to the Court with notice to and an
 10 opportunity for the SEC to be heard) in all accounts at any bank, financial institution or
 11 brokerage firm, or third-payment payment processor, all certificates of deposit, and other
 12 funds or assets, held in the name of, for the benefit of, or over which account authority is
 13 held by Defendants, including but not limited to the accounts listed below:

14

BANK NAME	ACCOUNT NAME	ACCOUNT NO.
Wells Fargo	PDC Capital Group, LLC	9230366966
Wells Fargo	PDC Capital, Inc.	2682210253
Wells Fargo	PDC Capital, Inc.	2682210261
California United Bank	PDC Capital Group LLC	1194433634
Bank of America	PDC Capital Group LLC	3250 3761 1008
Bank of America	Peter Van Schultze Sole Prop dba PDC Capital	XXXX XXXX 9417
Bank of America	Emilio N. Francisco & Associates LLC	0011 0127 1806

28

BANK NAME	ACCOUNT NAME	ACCOUNT NO.
Bank of America	SAL Assisted Living LP	3250 0854 9947
Bank of America	Summerplace at Lincoln LLC	3250 0854 9921
Bank of America	SAL Citrus Heights LP	3250 3112 5927
Bank of America	SAL Citrus Heights, LLC	3250 3112 5930
Bank of America	SAL Kern Canyon LP	3250 3112 5765
Bank of America	SAL Kern Canyon, LLC	3250 3112 5778
Bank of America	SAL Westgate, LP	3250 3112 5781
Bank of America	SAL Westgate, LLC	3250 3112 5794
Bank of America	Summerplace at Clearwater LP	3250 5947 5361
Bank of America	Summerplace at Clearwater LLC	3250 5940 8299
Bank of America	Clear Currents West LP	3250 3020 9815
Bank of America	Clear Currents Wests LLC	3250 3020 9828
Bank of America	TRC Tucson LP	3250 4843 8348
Bank of America	Summerplace Development LLC	3250 3761 0863
Bank of America	SAL Phoenix LP	3250 4192 5395
Bank of America	SAL Carmichael LP	3250 6144 4319
Bank of America	SAL Carmichael LLC	3250 9144 4335

BANK NAME	ACCOUNT NAME	ACCOUNT NO.
Bank of America	Summerplace at Correll Palms LP	3250 4837 8945
Bank of America	Summerplace at Correll Palms LLC	3250 4837 8806
Bank of America	Summerplace at Sarasota LP	3506 6698 7004
Bank of America	Summerplace at Sarasota, LLC	3250 6698 7088
Bank of America	Caffe Primo Management LP	3250 0855 0952
Bank of America	Caffe Primo 102 LP	3250 3020 9543
Bank of America	Caffe Primo Management 103 LP	3250 3514 2171
Bank of America	Caffe Primo Management 104 LP	3250 3514 2155
Bank of America	Caffe Primo Management 105 LP	3250 3514 2168
Bank of America	Caffe Primo Management 106 LP	3250 3761 1273
Bank of America	Caffe Primo Management 107 LP	3250 3514 2142
Bank of America	Caffe Primo Management 108 LP	3250 4325 6994
Bank of America	Caffe Primo Management 109 LP	3250 4325 7922
Bank of America	Caffe Primo Management 110 LP	3250 4325 8730
JPMorgan Chase	Caffe Primo International Inc.	0000000000081876732
JPMorgan Chase	Caffe Primo International Inc.	0000000000030911101
JPMorgan Chase	Caffe Primo 101, LLC	00000000000252162095

BANK NAME	ACCOUNT NAME	ACCOUNT NO.
JPMorgan Chase	Caffe Primo 101, LLC	00000000002972536727
JPMorgan Chase	Caffe Primo 102, LLC	00000000000510087211
JPMorgan Chase	Caffe Primo 102, LLC	00000000002981125972
JPMorgan Chase	Caffe Primo 103, LLC	00000000000568775311
JPMorgan Chase	Caffe Primo 103, LLC	00000000003075710359
JPMorgan Chase	Caffe Primo 104, LLC	00000000000568602291
JPMorgan Chase	Caffe Primo 104, LLC	00000000003075617273
JPMorgan Chase	Caffe Primo 105, LLC	00000000000577317220
JPMorgan Chase	Caffe Primo 105, LLC	00000000003082933796
JPMorgan Chase	Caffe Primo 106, LLC	00000000000596335153
JPMorgan Chase	Caffe Primo 106, LLC	00000000003092716165
JPMorgan Chase	Caffe Primo 107, LLC	00000000000577322758
JPMorgan Chase	Caffe Primo 107, LLC	00000000003082938100
JPMorgan Chase	Caffe Primo 108, LLC	00000000000613027783
JPMorgan Chase	Caffe Primo 108, LLC	00000000003300977369
JPMorgan Chase	Caffe Primo 110, LLC	00000000000607812133

Any bank, financial institution or brokerage firm, or third-party payment processor

1 holding such monies and assets described above shall hold and retain within their control
2 and prohibit the withdrawal, removal, transfer or other disposal of any such funds or
3 other assets except as otherwise ordered by this Court.

4
5 **VIII.**

6 IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, each
7 of the Defendants Emilio Francisco; PDC Capital Group, LLC; Caffe Primo
8 International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights,
9 LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace as
10 Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC
11 Tucson, LP; Clear Currents West, LP; Caffe Primo Management, LP; Caffe Primo
12 Management 102, LP; Caffe Primo Management 103, LP; Caffe Primo Management 104,
13 LP; Caffe Primo Management 105, LP; Caffe Primo Management 106, LP; Caffe Primo
14 Management 107, LP; Caffe Primo Management 108, LP, and their officers, agents,
15 servants, employees, attorneys, subsidiaries and affiliates, and those persons in active
16 concert or participation with any of them, who receive actual notice of this Order, by
17 personal service or otherwise, and each of them, be and hereby are preliminarily enjoined
18 from, directly or indirectly: destroying, mutilating, concealing, transferring, altering, or
19 otherwise disposing of, in any manner, any documents, which includes all books, records,
20 computer programs, computer files, computer printouts, contracts, emails,
21 correspondence, memoranda, brochures, or any other documents of any kind in their
22 possession, custody or control, however created, produced, or stored (manually,
23 mechanically, electronically, or otherwise), pertaining in any manner to Defendants
24 Emilio Francisco; PDC Capital Group, LLC; Caffe Primo International, Inc.; SAL
25 Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon,
26 LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP; Summerplace
27 at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents
28 West, LP; Caffe Primo Management, LP; Caffe Primo Management 102, LP; Caffe

1 Primo Management 103, LP; Caffe Primo Management 104, LP; Caffe Primo
2 Management 105, LP; Caffe Primo Management 106, LP; Caffe Primo Management 107,
3 LP; Caffe Primo Management 108, LP.

4
5 **IX.**

6 IT IS FURTHER ORDERED that Mr. Thomas Seaman is appointed as permanent
7 receiver of Defendants PDC Capital Group, LLC; Caffe Primo International, Inc.; SAL
8 Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon,
9 LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP; Summerplace
10 at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents
11 West, LP; Caffe Primo Management, LP; Caffe Primo Management 102, LP; Caffe
12 Primo Management 103, LP; Caffe Primo Management 104, LP; Caffe Primo
13 Management 105, LP; Caffe Primo Management 106, LP; Caffe Primo Management 107,
14 LP; Caffe Primo Management 108, LP, and their subsidiaries and affiliates including but
15 not limited to Summerplace Management, LLC, PDC Partners Management, Inc.; and
16 FDC Partners Management, Inc., with full powers of an equity receiver, including, but
17 not limited to, full power over all funds, assets, collateral, premises (whether owned,
18 leased, occupied, or otherwise controlled), choses in action, books, records, papers and
19 other property belonging to, being managed by or in the possession of or control of
20 Defendants PDC Capital Group, LLC; Caffe Primo International, Inc.; SAL Assisted
21 Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL
22 Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP; Summerplace at
23 Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents
24 West, LP; Caffe Primo Management, LP; Caffe Primo Management 102, LP; Caffe
25 Primo Management 103, LP; Caffe Primo Management 104, LP; Caffe Primo
26 Management 105, LP; Caffe Primo Management 106, LP; Caffe Primo Management 107,
27 LP; Caffe Primo Management 108, LP and their subsidiaries and affiliates including but
28 not limited to Summerplace Management, LLC, PDC Partners Management, Inc.; and

1 FDC Partners Management, Inc., and that such receiver is immediately authorized,
2 empowered and directed:

3
4 A. to have access to and to collect and take custody, control, possession, and
5 charge of all funds, assets, collateral, premises (whether owned, leased,
6 pledged as collateral, occupied, or otherwise controlled), choses in action,
7 books, records, papers and other real or personal property, wherever located,
8 of or managed by Defendants PDC Capital Group, LLC; Caffè Primo
9 International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL
10 Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL
11 Westgate, LP; Summerplace as Sarasota, LP; Summerplace at Clearwater,
12 LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents
13 West, LP; Caffè Primo Management, LP; Caffè Primo Management 102,
14 LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP;
15 Caffè Primo Management 105, LP; Caffè Primo Management 106, LP;
16 Caffè Primo Management 107, LP; Caffè Primo Management 108, LP and
17 their subsidiaries and affiliates including but not limited to Summerplace
18 Management, LLC, PDC Partners Management, Inc.; and FDC Partners
19 Management, Inc. (collectively, the "Assets"), with full power to sue,
20 foreclose, marshal, collect, receive, and take into possession all such Assets
21 (including access to and taking custody, control, and possession of all such
22 Assets);

23
24 B. to assume full control of Defendants PDC Capital Group, LLC; Caffè Primo
25 International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL
26 Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL
27 Westgate, LP; Summerplace as Sarasota, LP; Summerplace at Clearwater,
28 LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents

1 West, LP; Caffè Primo Management, LP; Caffè Primo Management 102,
2 LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP;
3 Caffè Primo Management 105, LP; Caffè Primo Management 106, LP;
4 Caffè Primo Management 107, LP; Caffè Primo Management 108, LP and
5 their subsidiaries and affiliates including but not limited to Summerplace
6 Management, LLC, PDC Partners Management, Inc.; and FDC Partners
7 Management, Inc. by removing, as the receiver deems necessary or
8 advisable, any director, officer, attorney, independent contractor, employee,
9 or agent of any of Defendants PDC Capital Group, LLC; Caffè Primo
10 International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL
11 Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL
12 Westgate, LP; Summerplace as Sarasota, LP; Summerplace at Clearwater,
13 LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents
14 West, LP; Caffè Primo Management, LP; Caffè Primo Management 102,
15 LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP;
16 Caffè Primo Management 105, LP; Caffè Primo Management 106, LP;
17 Caffè Primo Management 107, LP; Caffè Primo Management 108, LP and
18 their subsidiaries and affiliates including but not limited to Summerplace
19 Management, LLC, PDC Partners Management, Inc.; and FDC Partners
20 Management, Inc., and any named Defendant, from control of, management
21 of, or participation in, the affairs of Defendants PDC Capital Group, LLC;
22 Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael,
23 LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP;
24 SAL Westgate, LP; Summerplace as Sarasota, LP; Summerplace at
25 Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear
26 Currents West, LP; Caffè Primo Management, LP; Caffè Primo
27 Management 102, LP; Caffè Primo Management 103, LP; Caffè Primo
28 Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo

1 Management 106, LP; Caffe Primo Management 107, LP; Caffe Primo
2 Management 108, LP and their subsidiaries and affiliates including but not
3 limited to Summerplace Management, LLC, PDC Partners Management,
4 Inc.; and FDC Partners Management, Inc.;

5
6 C. to have control of, and to be added as the sole authorized signatory for, all
7 accounts of the entities in receivership, including all accounts at any bank,
8 title company, escrow agent, financial institution or brokerage firm
9 (including any futures commission merchant) which has possession, custody
10 or control of any Assets, or which maintains accounts over which
11 Defendants PDC Capital Group, LLC; Caffe Primo International, Inc.; SAL
12 Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL
13 Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace as
14 Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll
15 Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffe Primo
16 Management, LP; Caffe Primo Management 102, LP; Caffe Primo
17 Management 103, LP; Caffe Primo Management 104, LP; Caffe Primo
18 Management 105, LP; Caffe Primo Management 106, LP; Caffe Primo
19 Management 107, LP; Caffe Primo Management 108, LP and their
20 subsidiaries and affiliates including but not limited to Summerplace
21 Management, LLC, PDC Partners Management, Inc.; and FDC Partners
22 Management, Inc., and/or any of its employees or agents have signatory
23 authority;

24
25 D. to conduct such investigation and discovery as may be necessary to locate
26 and account for all of the assets of or managed by Defendants PDC Capital
27 Group, LLC; Caffe Primo International, Inc.; SAL Assisted Living, LP; SAL
28 Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL

1 Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP;
2 Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC
3 Tucson, LP; Clear Currents West, LP; Caffè Primo Management, LP; Caffè
4 Primo Management 102, LP; Caffè Primo Management 103, LP; Caffè
5 Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè
6 Primo Management 106, LP; Caffè Primo Management 107, LP; Caffè
7 Primo Management 108, LP and their subsidiaries and affiliates including
8 but not limited to Summerplace Management, LLC, PDC Partners
9 Management, Inc.; and FDC Partners Management, Inc., and to engage and
10 employ attorneys, accountants and other persons to assist in such
11 investigation and discovery;

12
13 E. to take such action as is necessary and appropriate to preserve and take
14 control of and to prevent the dissipation, concealment, or disposition of any
15 Assets;

16
17 F. to choose, engage, and employ attorneys, accountants, appraisers, and other
18 independent contractors and technical specialists, as the receiver deems
19 advisable or necessary in the performance of duties and responsibilities
20 under the authority granted by this Order;

21
22 G. to make an accounting, as soon as practicable, to this Court and the SEC of
23 the assets and financial condition of Defendants PDC Capital Group, LLC;
24 Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael,
25 LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP;
26 SAL Westgate, LP; Summerplace as Sarasota, LP; Summerplace at
27 Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear
28 Currents West, LP; Caffè Primo Management, LP; Caffè Primo

1 Management 102, LP; Caffe Primo Management 103, LP; Caffe Primo
2 Management 104, LP; Caffe Primo Management 105, LP; Caffe Primo
3 Management 106, LP; Caffe Primo Management 107, LP; Caffe Primo
4 Management 108, LP and their subsidiaries and affiliates including but not
5 limited to Summerplace Management, LLC, PDC Partners Management,
6 Inc.; and FDC Partners Management, Inc., and to file the accounting with
7 the Court and deliver copies thereof to all parties;

8
9 H. to make such payments and disbursements from the Assets taken into
10 custody, control, and possession or thereafter received by him or her, and to
11 incur, or authorize the making of, such agreements as may be necessary and
12 advisable in discharging his or her duties as permanent receiver;

13
14 I. to investigate and, where appropriate, to institute, pursue, and prosecute all
15 claims and causes of action of whatever kind and nature that may now or
16 hereafter exist as a result of the activities of present or past employees or
17 agents of Defendants PDC Capital Group, LLC; Caffe Primo International,
18 Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights,
19 LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP;
20 Summerplace as Sarasota, LP; Summerplace at Clearwater, LP;
21 Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents West,
22 LP; Caffe Primo Management, LP; Caffe Primo Management 102, LP; Caffe
23 Primo Management 103, LP; Caffe Primo Management 104, LP; Caffe
24 Primo Management 105, LP; Caffe Primo Management 106, LP; Caffe
25 Primo Management 107, LP; Caffe Primo Management 108, LP and their
26 subsidiaries and affiliates including but not limited to Summerplace
27 Management, LLC, PDC Partners Management, Inc.; and FDC Partners
28 Management, Inc.;

1 J. to institute, compromise, adjust, appear in, intervene in, or become party to
2 such actions or proceedings in state, federal, or foreign courts, which (i) the
3 receiver deems necessary and advisable to preserve or recover any Assets, or
4 (ii) the receiver deems necessary and advisable to carry out the receiver's
5 mandate under this Order; and
6

7 K. to have access to and monitor all mail, electronic mail, and video phone of
8 the entities in receivership in order to review such mail, electronic mail, and
9 video phone which he or she deems relates to their business and the
10 discharging of his or her duties as permanent receiver.
11
12

13 **X.**

14 IT IS FURTHER ORDERED that Defendants Emilio Francisco; PDC Capital
15 Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael,
16 LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate,
17 LP; Summerplace at Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at
18 Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo
19 Management, LP; Caffè Primo Management 102, LP; Caffè Primo Management 103, LP;
20 Caffè Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo
21 Management 106, LP; Caffè Primo Management 107, LP; Caffè Primo Management 108,
22 LP, and their subsidiaries and affiliates, including all of the other entities in receivership,
23 and their officers, agents, servants, employees and attorneys, and any other persons who
24 are in custody, possession or control of any assets, collateral, books, records, papers or
25 other property of or managed by any of the entities in receivership, shall forthwith give
26 access to and control of such property to the permanent receiver.
27
28

XI.

IT IS FURTHER ORDERED that no officer, agent, servant, employee or attorney of Defendants Emilio Francisco; PDC Capital Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo Management, LP; Caffè Primo Management 102, LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo Management 106, LP; Caffè Primo Management 107, LP; Caffè Primo Management 108, LP shall take any action or purport to take any action, in the name of or on behalf of Defendants without the written consent of the permanent receiver or order of this Court.

XII.

IT IS FURTHER ORDERED that, except by leave of this Court, during the pendency of this receivership, all clients, investors, trust beneficiaries, note holders, creditors, claimants, lessors and all other persons or entities seeking relief of any kind, in law or in equity, from Defendants Emilio Francisco; PDC Capital Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo Management, LP; Caffè Primo Management 102, LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo Management 106, LP; Caffè Primo Management 107, LP; Caffè Primo Management 108, LP, or their subsidiaries or affiliates, and all persons acting on behalf of any such investor, trust beneficiary, note holder, creditor, claimant, lessor, consultant group or other person, including sheriffs, marshals, servants, agents, employees and attorneys, are hereby

1 enjoined from, directly or indirectly, with respect to these persons and entities:

2
3 A. commencing, prosecuting, continuing or enforcing any suit or proceeding
4 (other than the present action by the SEC or any other action by the
5 government) against any of them;

6
7 B. using self-help or executing or issuing or causing the execution or issuance
8 of any court attachment, subpoena, replevin, execution or other process for
9 the purpose of impounding or taking possession of or interfering with or
10 creating or enforcing a lien upon any property or property interests owned
11 by or in the possession of Defendants Emilio Francisco; PDC Capital Group,
12 LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL
13 Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL
14 Phoenix, LP; SAL Westgate, LP; Summerplace as Sarasota, LP;
15 Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC
16 Tucson, LP; Clear Currents West, LP; Caffè Primo Management, LP; Caffè
17 Primo Management 102, LP; Caffè Primo Management 103, LP; Caffè
18 Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè
19 Primo Management 106, LP; Caffè Primo Management 107, LP; Caffè
20 Primo Management 108, LP; and

21
22 C. doing any act or thing whatsoever to interfere with taking control,
23 possession or management by the permanent receiver appointed hereunder
24 of the property and assets owned, controlled or managed by or in the
25 possession of Defendants Emilio Francisco; PDC Capital Group, LLC; Caffè
26 Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP;
27 SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL
28 Westgate, LP; Summerplace as Sarasota, LP; Summerplace at Clearwater,

1 LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents
2 West, LP; Caffe Primo Management, LP; Caffe Primo Management 102,
3 LP; Caffe Primo Management 103, LP; Caffe Primo Management 104, LP;
4 Caffe Primo Management 105, LP; Caffe Primo Management 106, LP;
5 Caffe Primo Management 107, LP; Caffe Primo Management 108, LP, or in
6 any way to interfere with or harass the permanent receiver or his attorneys,
7 accountants, employees, or agents or to interfere in any manner with the
8 discharge of the permanent receiver's duties and responsibilities hereunder.
9
10

11 XIII.

12 IT IS FURTHER ORDERED that Defendants Emilio Francisco; PDC Capital
13 Group, LLC; Caffe Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael,
14 LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate,
15 LP; Summerplace as Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at
16 Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffe Primo
17 Management, LP; Caffe Primo Management 102, LP; Caffe Primo Management 103, LP;
18 Caffe Primo Management 104, LP; Caffe Primo Management 105, LP; Caffe Primo
19 Management 106, LP; Caffe Primo Management 107, LP; Caffe Primo Management 108,
20 LP, and their subsidiaries, affiliates, officers, agents, servants, employees and attorneys,
21 shall cooperate with and assist the permanent receiver and shall take no action, directly or
22 indirectly, to hinder, obstruct, or otherwise interfere with the permanent receiver or his or
23 her attorneys, accountants, employees or agents, in the conduct of the permanent
24 receiver's duties or to interfere in any manner, directly or indirectly, with the custody,
25 possession, management, or control by the permanent receiver of the funds, assets,
26 collateral, premises, and choses in action described above.
27
28 //

XIV.

IT IS FURTHER ORDERED that Defendants PDC Capital Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace at Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo Management, LP; Caffè Primo Management 102, LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo Management 106, LP; Caffè Primo Management 107, LP; Caffè Primo Management 108, LP and their subsidiaries and affiliates including but not limited to Summerplace Management, LLC, PDC Partners Management, Inc.; and FDC Partners Management, Inc., shall pay the costs, fees and expenses of the permanent receiver incurred in connection with the performance of his duties described in this Order, including the costs and expenses of those persons who may be engaged or employed by the permanent receiver to assist him in carrying out his duties and obligations. All applications for costs, fees, and expenses for services rendered in connection with the receivership other than routine and necessary business expenses in conducting the receivership, such as salaries, rent, and any and all other reasonable operating expenses, shall be made by application setting forth in reasonable detail the nature of the services and shall be heard by the Court.

XV.

IT IS FURTHER ORDERED that no bond shall be required in connection with the appointment of the permanent receiver. Except for an act of gross negligence, the permanent receiver shall not be liable for any loss or damage incurred by any of the defendants, their officers, agents, servants, employees and attorneys or any other person, by reason of any act performed or omitted to be performed by the permanent receiver in connection with the discharge of his duties and responsibilities.

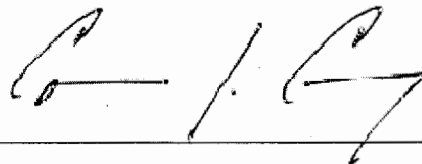
XVI.

IT IS FURTHER ORDERED that representatives of the SEC and any other government agency are authorized to have continuing access to inspect or copy any or all of the corporate books and records and other documents of Defendants PDC Capital Group, LLC; Caffè Primo International, Inc.; SAL Assisted Living, LP; SAL Carmichael, LP; SAL Citrus Heights, LP; SAL Kern Canyon, LP; SAL Phoenix, LP; SAL Westgate, LP; Summerplace at Sarasota, LP; Summerplace at Clearwater, LP; Summerplace at Correll Palms, LP; TRC Tucson, LP; Clear Currents West, LP; Caffè Primo Management, LP; Caffè Primo Management 102, LP; Caffè Primo Management 103, LP; Caffè Primo Management 104, LP; Caffè Primo Management 105, LP; Caffè Primo Management 106, LP; Caffè Primo Management 107, LP; Caffè Primo Management 108, LP and their subsidiaries and affiliates including but not limited to Summerplace Management, LLC, PDC Partners Management, Inc.; and FDC Partners Management, Inc., and the other entities in receivership, and continuing access to inspect their funds, property, assets and collateral, wherever located.

XVII.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction over this action for the purpose of implementing and carrying out the terms of all orders and decrees which may be entered herein and to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

DATED: January 23, 2017



CORMAC J. CARNEY

UNITED STATES DISTRICT JUDGE